

WHAT IS CLAIMED IS:

1. A method of processing a universal life insurance product comprising:
receiving a request for a universal life insurance product and information about a
5 party requesting the product;
preparing a bid solicitation for the universal life insurance product based on the
request and information and transmitting the bid solicitation to a plurality of product carriers;
at least one of the plurality of product carriers submitting a proposal for providing the
universal life insurance product; and
generating a rating corresponding to the proposal.
2. The method of processing a universal life insurance product of claim 1, further
comprising:
providing the rating to the at least one product carrier;
15 allowing the at least one product carrier to revise the proposal based on the rating; and
the at least one of the product carriers providing a final proposal.
3. The method of processing a universal life insurance product of claim 1, further
comprising:
20 generating an appraisal for the proposal; and
informing the at least one product carrier of a decision based on the appraisal.
4. The method of processing a universal life insurance product of claim 1, wherein a
plurality of product carriers each submits a proposal for providing the financial product.
- 25 5. The method of processing a universal life insurance product of claim 4, further
comprising:

making an appraisal corresponding to each proposal from the product carriers; and
selecting one of the product carriers based on the appraisal.

6. The method of processing a universal life insurance product of claim 4, further
5 comprising:

generating a rating corresponding to each of the proposals from the product carriers;
providing each rating to a corresponding one of the product carriers;
allowing each of the product carriers to revise the proposal based on the rating;
each of the product carriers having an option to maintain the proposal or revise the
proposal; and
providing a revised rating for each revised proposal.

7. The method of processing a universal life insurance product of claim 6, further
comprising:
15 making an appraisal corresponding to each of the ratings for the product carriers; and
selecting one of the product carriers based on the appraisal.

8. The method of processing a universal life insurance product of claim 6, wherein the
appraisal includes a verbal characterization or a final numerical rating for each of the
20 proposals from the product carriers.

9. The method of processing a universal life insurance product of claim 3, wherein the
appraisal includes a verbal characterization of the proposal.

25 10. The method of processing a universal life insurance product of claim 3, wherein the
appraisal includes a final numerical rating for each of the final proposals.

11. A system for processing a universal life insurance product for a consumer comprising:
a distribution channel receiving a request for a universal life insurance product and
information from the consumer, the distribution channel requesting an appraisal for the
universal life insurance product based on the request and information;

5 a product value appraisal system receiving the appraisal request and preparing
solicitations; and

a plurality of product carriers receiving solicitations and at least one of the plurality of
product carriers submitting a proposal for providing the universal life insurance product;

wherein the product value appraisal system generates a rating corresponding to the
proposal.

12. The system for processing a universal life insurance product for a consumer according
to claim 11, wherein the product value appraisal system allows the at least one product carrier
to revise the proposal based on the rating and the at least one of the product carriers provides
a final proposal.

13. The system for processing a universal life insurance product for a consumer according
to claim 11, wherein the distribution channel generates an appraisal for the proposal for the
consumer.

14. The system for processing a universal life insurance product for a consumer according
to claim 13, wherein the appraisal includes a verbal characterization or a final numerical
rating for each of the proposals from the product carriers.

15. The system for processing a universal life insurance product for a consumer according
to claim 13, wherein the consumer makes a decision based on the appraisal and the
distribution channel informs the at least one product carrier of the decision.

16. The system for processing a universal life insurance product for a consumer according to claim 13, wherein a plurality of product carriers each submits a proposal for providing the financial product.

17. The system for processing a universal life insurance product for a consumer according to claim 16, wherein the consumer makes a decision based on the appraisal for each of the product carriers and the distribution channel informs the product carriers of the decision.

18. The system for processing a universal life insurance product for a consumer according to claim 11, wherein the product value appraisal system generates a rating corresponding to each of the proposals from the product carriers and provides each rating to corresponding one of the product carriers, each of the product carriers having an option to revise the proposal based on the rating and sending any revised proposal to the product value appraisal system.

19. The system for processing a universal life insurance product for a consumer according to claim 18, wherein the distribution channel makes an appraisal for each of the product carriers based on the ratings, the consumer makes a decision based on the appraisal for each of the product carriers and the distribution channel informs the product carriers of the decision.

20. A method of processing a universal life insurance product comprising:
receiving a request for a universal life insurance product and information about a party requesting the universal life insurance product;
preparing a bid solicitation for the universal life insurance product based on the request and information and transmitting the bid solicitation to a plurality of product carriers;

a plurality of product carriers submitting initial proposals for providing the universal life insurance product; and
generating ratings for the initial proposals, respectively.

21. The method of processing a universal life insurance product of claim 20, further comprising:

providing the ratings to the product carriers, respectively; and
allowing the product carriers to revise the initial proposals based on the ratings, respectively.

22. The method of processing a universal life insurance product of claim 20, further comprising:

generating appraisals for the initial proposals; and
selecting one of the product carriers based on the appraisals.

23. The method of processing a universal life insurance product of claim 20, wherein the appraisal includes a verbal characterization or a numerical rating of the proposal.

24. A method of processing a universal life insurance product comprising:

receiving a request for a universal life insurance product and information about a party requesting the universal life insurance product;

preparing a bid solicitation for the universal life insurance product based on the request and information and transmitting the bid solicitation to a plurality of product carriers;

a plurality of product carriers submitting initial proposals for providing the universal life insurance product;

generating ratings for the initial proposals, respectively; and
providing the ratings to the product carriers, respectively;

allowing the product carriers to revise the initial proposals based on the ratings, respectively; and

at least one of the product carriers revising a corresponding initial proposal to provide a revised proposal.

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25. The method of processing a universal life insurance product of claim 24, further comprising:

generating appraisals for the initial proposals and the revised proposal; and
selecting one of the product carriers based on the appraisals.

26. The method of processing a universal life insurance product of claim 24, wherein the appraisal includes a verbal characterization or numerical rating of the proposal.

27. A method of evaluating an in-force universal life insurance policy comprising:
receiving a request for valuing the in-force insurance policy and information including in-force insurance policy data about a requesting party via an Internet Web site;
generating a rating for the in-force insurance policy based on the in-force insurance policy data using the Internet Web site; and
sending the rating to the requesting party via the Internet.

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28. The method of evaluating an in-force universal life insurance policy of claim 27, further comprising:

determining if the requester wishes to consider replacing the in-force insurance policy;

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preparing a bid solicitation for a replacement insurance policy based on the in-force insurance policy data to insurance carriers; and

at least one of the insurance carriers submitting a proposal for replacing the in-force insurance policy.

29. The method of evaluating an in-force universal life insurance policy of claim 28,
5 further comprising:

a plurality of the insurance carriers submitting proposals for replacing the in-force insurance policy; and

providing a rating to each proposal made by the insurance carriers.

30. The method of evaluating an in-force universal life insurance policy of claim 29,
further comprising

sending the rating to each proposal back to the corresponding one of the insurance carriers;

allowing the insurance carriers to revise the proposal based on the ratings,
15 respectively;

the insurance carriers having an option of revising the proposals, respectively, and submitting revised proposals; and

generating a revised rating for each revised proposal.

20 31. The method of evaluating an in-force universal life insurance policy of claim 30, further comprising sending unrevised and revised ratings to the requesting party.

32. The method of evaluating an in-force universal life insurance policy of claim 31,
further comprising generating appraisals based on unrevised and revised ratings; and

25 selecting one of the insurance carriers based on the appraisals.

33. A system for evaluating an in-force universal life insurance policy comprising a product value appraisal system receiving a request for valuing an in-force universal life insurance policy and information including in-force insurance policy data from a requesting party via an Internet Web site, the product value appraisal system generating a rating for the in-force insurance policy based on the in-force insurance policy data using the Internet Web site, and the product value appraisal system sending the rating to the requesting party via the Internet.

34. The system for evaluating an in-force universal life insurance policy of claim 33, wherein the product value appraisal system determines if the requester wishes to consider replacing the in-force insurance policy and prepares a bid solicitation for a replacement insurance policy based on the in-force insurance policy data to insurance carriers, and at least one of the insurance carriers submitting a proposal for replacing the in-force insurance policy to the product value appraisal system.

35. The system for evaluating an in-force universal life insurance policy of claim 34, wherein a plurality of the insurance carriers submit proposals to the product value appraisal system for replacing the in-force insurance policy, and the product value appraisal system provides a rating for each proposal made by the insurance carriers.

36. The system for evaluating an in-force universal life insurance policy of claim 35, wherein the product value appraisal system sends the rating for each proposal back to the corresponding one of the insurance carriers and receives from the insurance carriers submits, as an option, revised proposals, the product value appraisal system generates a revised rating for each revised proposal.

37. The system for evaluating an in-force universal life insurance policy of claim 36, wherein the product value appraisal system sends unrevised and revised ratings to the requesting party.

5 38. The system for evaluating an in-force universal life insurance policy of claim 37, further comprising a distribution channel for generating appraisals based on unrevised and revised ratings and receives a decision from the requesting party based on the appraisals, the product value appraisal system forwards the decision back to the insurance carriers.

10 39. The method of claim 1, wherein the at least one of the plurality of product carriers submits multiple proposals for providing the universal life insurance product and multiple ratings are generated corresponding to the multiple proposals.

15 40. The method of claim 1, wherein the plurality of product carriers each submits multiple proposals for providing the universal life insurance product and multiple ratings are generated corresponding to the multiple proposals from each of the plurality of product carriers.

20 41. The system for processing a universal life insurance product for a consumer according to claim 11, wherein the at least one of the plurality of product carriers submits multiple proposals for providing the universal life insurance product and multiple ratings are generated corresponding to the multiple proposals.

42. The system for processing a universal life insurance product for a consumer according to claim 11, the plurality of product carriers each submits multiple proposals for providing

the universal life insurance product and multiple ratings are generated corresponding to the multiple proposals from each of the plurality of product carriers.

43. The method of claim 20, wherein the plurality of product carriers each submits multiple initial proposals for providing the universal life insurance product and multiple ratings are generated corresponding to the multiple initial proposals from each of the plurality of product carriers.

44. A method for appraising value of a life insurance product to a customer, comprising:
determining a first numeric rating of benefits by a life insurance product offered to a customer at a proposed price;

determining a second numeric rating of the life insurance performance under predetermined assumptions about future interest rates and reduced premium levels;

determining a third numeric rating of a financial status of an insurance company providing the life insurance product;

determining a fourth numeric rating of historical interest credited rates for the life insurance product;

determining a fifth numeric rating of the quality of customer service provided by the insurance company;

determining a sixth numeric rating of the financial strength of the insurance company;
and

weighting the first, second, third, fourth, fifth and sixth numeric ratings to determine an overall rating of value for the life insurance product.

45. The method for appraising value of a life insurance product to a customer of claim 44,
wherein the first metric is determined by steps of:

determining a first internal rate of return based on empirical lapse and surrender rates

determining a second internal rate of return based on level lapse and surrender rates;

determining a premium required to achieve an objective of the life insurance product;

and

determining an index of product flexibility for the life insurance product.

46. The method for appraising value of a life insurance product to a customer of claim 45,
wherein the index of product flexibility is determined based on no-lapse guarantees, term
riders, penalty-free withdrawals, preferred loans, refunds of cost of insurance charges and
persistency bonuses.

47. The method for appraising value of a life insurance product to a customer of claim 44,
wherein the second numeric rating is determined by the steps of:

determining a ratio of a 20-year cash surrender value based on mid-point assumptions
for the life insurance product to the 20-year cash surrender value based on current
assumptions for the life insurance product;

determining a number of years a policy stays in force at mid-point assumptions; and

determining an internal rate of return for the life insurance product based on a
reduction of premiums at a predetermined time during a duration of the life insurance
product.

48. The method for appraising value of a life insurance product to a customer of claim 44, wherein the third rating is determined by the steps of:

determining a five year average return on equity for the life insurance product;

determining a ratio of ordinary life expenses to Generally Recognized Expenses;

5 determining a five year average annual premium growth rate in excess of expense growth rate for the life insurance product;

determining a five year asset compound annual growth rate for the life insurance product;

determining a maximum earnings deviation for the life insurance product;

10 determining a ratio of ordinary life expenses to ordinary life premiums for the life insurance product; and

determining a ratio of ordinary life expenses to ordinary life reserves.

49. The method for appraising value of a life insurance product to a customer of claim 44, wherein the fourth numeric rating is determined by calculating the value of a predetermined cash amount at a predetermined date for each of five consecutive years, wherein the value is determined using historical interest credited rates.

50. The method for appraising value of a life insurance product to a customer of claim 44, wherein the fifth numeric rating is determined according to empirical data from a study of a plurality of insurance providers.

51. The method for appraising value of a life insurance product to a customer of claim 44, wherein the sixth numeric rating is determined according to data provided by a rating study.

52. A method for appraising value of a life insurance product to a customer, comprising;
- determining a product value for money rating of a life insurance product;
- determining a product stress tolerance rating of the life insurance product;
- 5 determining a management performance rating of a company offering the life insurance product;
- determining a historical interest credited rates rating of the life insurance product;
- determining a customer service quality rating of the company offering the life insurance product;
- determining a financial strength rating of the company offering the life insurance product; and
- weighting the product value for money rating, the product stress tolerance rating, the management performance rating, the historical interest credited rates rating, the customer service quality rating and financial strength rating to determine an overall rating of value of
- 15 the life insurance product.
53. The method for appraising value of a life insurance product to a customer of claim 52, wherein the product value for money is determined by steps of:
- determining a first internal rate of return based on empirical lapse and surrender rates
- 20 determining a second internal rate of return based on level lapse and surrender rates;
- determining a premium required to achieve an objective of the life insurance product;
- and
- determining an index of product flexibility for the life insurance product.

54. The method for appraising value of a life insurance product to a customer of claim 53, wherein the index of product flexibility is determined based on no-lapse guarantees, term riders, penalty-free withdrawals, preferred loans, refunds of cost of insurance charges and persistency bonuses.

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55. The method for appraising value of a life insurance product to a customer of claim 52, wherein the product stress tolerance rating is determined by the steps of:

determining a ratio of a 20-year cash surrender value based on mid-point assumptions for the life insurance product to the 20-year cash surrender value based on current assumptions for the life insurance product;

determining a number of years a policy stays in force at mid-point assumptions; and

determining an internal rate of return for the life insurance product based on a reduction of premiums at a predetermined time during a duration of the life insurance product.

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56. The method for appraising value of a life insurance product to a customer of claim 52, wherein the management performance rating is determined by the steps of:

determining a five year average return on equity for the life insurance product;

determining a ratio of ordinary life expenses to Generally Recognized Expenses;

20 determining a five year average annual premium growth rate in excess of expense growth rate for the life insurance product;

determining a five year asset compound annual growth rate for the life insurance product;

determining a maximum earnings deviation for the life insurance product;

determining a ratio of ordinary life expenses to ordinary life premiums for the life insurance product; and

determining a ratio of ordinary life expenses to ordinary life reserves.

5 57. The method for appraising value of a life insurance product to a customer of claim 52, wherein the historic interest credited rates rating is determined by calculating the value of a predetermined cash amount at a predetermined date for each of five consecutive years, wherein the value is determined using historical credit rates.

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58. The method for appraising value of a life insurance product to a customer of claim 52, wherein the customer service quality rating is determined according to empirical data from a study of a plurality of insurance providers.

15 59. The method for appraising value of a life insurance product to a customer of claim 52, wherein the financial strength rating is determined according to data provided by a rating study.